

105TH CONGRESS  
2D SESSION

# H. R. 3582

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IN THE SENATE OF THE UNITED STATES

MARCH 31, 1998

Received; read twice and referred to the Committee on Rules and  
Administration

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## AN ACT

To amend the Federal Election Campaign Act of 1971 to expedite the reporting of information to the Federal Election Commission, to expand the type of information required to be reported to the Commission, to promote the effective enforcement of campaign laws by the Commission, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Campaign Reporting  
5       and Disclosure Act of 1998”.

6       **SEC. 2. EXPEDITING REPORTING OF INFORMATION.**

7       (a) REQUIRING REPORTS FOR CONTRIBUTIONS AND  
8       EXPENDITURES MADE WITHIN 90 DAYS OF ELECTION TO  
9       BE FILED WITHIN 24 HOURS AND POSTED ON INTER-  
10      NET.—

11               (1) IN GENERAL.—Section 304(a)(6) of the  
12      Federal Election Campaign Act of 1971 (2 U.S.C.  
13      434(a)(6)) is amended to read as follows:

14      “(6)(A) Each political committee shall notify the Sec-  
15      retary or the Commission, and the Secretary of State, as  
16      appropriate, in writing, of any contribution received and  
17      expenditure made by the committee during the period  
18      which begins on the 90th day before an election and ends  
19      at the time the polls close for such election. This notifica-  
20      tion shall be made within 24 hours (or, if earlier, by mid-  
21      night of the day on which the contribution is deposited)  
22      after the receipt of such contribution or the making of  
23      such expenditure and shall include the name of the can-  
24      didate involved (as appropriate) and the office sought by  
25      the candidate, the identification of the contributor or the

1 person to whom the expenditure is made, and the date  
2 of receipt and amount of the contribution or the date of  
3 disbursement and amount of the expenditure.

4 “(B) The notification required under this paragraph  
5 shall be in addition to all other reporting requirements  
6 under this Act.

7 “(C) The Commission shall make the information  
8 filed under this paragraph available on the Internet imme-  
9 diately upon receipt.”.

10 (2) INTERNET DEFINED.—Section 301(19) of  
11 such Act (2 U.S.C. 431(19)) is amended to read as  
12 follows:

13 “(19) The term ‘Internet’ means the international  
14 computer network of both Federal and non-Federal inter-  
15 operable packet-switched data networks.”.

16 (b) REQUIRING REPORTS OF CERTAIN FILERS TO BE  
17 TRANSMITTED ELECTRONICALLY; CERTIFICATION OF  
18 PRIVATE SECTOR SOFTWARE.—Section 304(a)(11)(A) of  
19 such Act (2 U.S.C. 434(a)(11)(A)) is amended by striking  
20 the period at the end and inserting the following: “, except  
21 that in the case of a report submitted by a person who  
22 reports an aggregate amount of contributions or expendi-  
23 tures (as the case may be) in all reports filed with respect  
24 to the election involved (taking into account the period  
25 covered by the report) in an amount equal to or greater

1 than \$50,000, the Commission shall require the report to  
 2 be filed and preserved by such means, format, or method.  
 3 The Commission shall certify (on an ongoing basis) pri-  
 4 vate sector computer software which may be used for filing  
 5 reports by such means, format, or method.”.

6 (c) CHANGE IN CERTAIN REPORTING FROM A CAL-  
 7 ENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.—  
 8 Section 304(b) of such Act (2 U.S.C. 434(b)) is amended  
 9 by inserting “(or election cycle, in the case of an author-  
 10 ized committee of a candidate for Federal office)” after  
 11 “calendar year” each place it appears in paragraphs (2),  
 12 (3), (4), (6), and (7).

13 **SEC. 3. EXPANSION OF TYPE OF INFORMATION REPORTED.**

14 (a) REQUIRING RECORD KEEPING AND REPORT OF  
 15 SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

16 (1) REPORTING.—Section 304(b)(5)(A) of the  
 17 Federal Election Campaign Act of 1971 (2 U.S.C.  
 18 434(b)(5)(A)) is amended by striking the semicolon  
 19 at the end and inserting the following: “, and, if  
 20 such person in turn makes expenditures which ag-  
 21 gregate \$500 or more in an election cycle to other  
 22 persons (not including employees) who provide goods  
 23 or services to the candidate or the candidate’s au-  
 24 thorized committees, the name and address of such

1 other persons, together with the date, amount, and  
2 purpose of such expenditures;”.

3 (2) RECORD KEEPING.—Section 302 of such  
4 Act (2 U.S.C. 432) is amended by adding at the end  
5 the following new subsection:

6 “(j) A person described in section 304(b)(5)(A) who  
7 makes expenditures which aggregate \$500 or more in an  
8 election cycle to other persons (not including employees)  
9 who provide goods or services to a candidate or a can-  
10 didate’s authorized committees shall provide to a political  
11 committee the information necessary to enable the com-  
12 mittee to report the information described in such sec-  
13 tion.”.

14 (3) NO EFFECT ON OTHER REPORTS.—Nothing  
15 in the amendments made by this subsection may be  
16 construed to affect the terms of any other record-  
17 keeping or reporting requirements applicable to can-  
18 didates or political committees under title III of the  
19 Federal Election Campaign Act of 1971.

20 (b) INCLUDING REPORT ON CUMULATIVE CONTRIBU-  
21 TIONS AND EXPENDITURES IN POST ELECTION RE-  
22 PORTS.—Section 304(a)(7) of such Act (2 U.S.C.  
23 434(a)(7)) is amended—

24 (1) by striking “(7)” and inserting “(7)(A)”;  
25 and

1           (2) by adding at the end the following new sub-  
2       paragraph:

3       “(B) In the case of any report required to be filed  
4 by this subsection which is the first report required to be  
5 filed after the date of an election, the report shall include  
6 a statement of the total contributions received and expend-  
7 itures made as of the date of the election.”.

8       (c) INCLUDING INFORMATION ON AGGREGATE CON-  
9 TRIBUTIONS IN REPORT ON ITEMIZED CONTRIBUTIONS.—  
10 Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is  
11 amended—

12           (1) in subparagraph (A), by inserting after  
13       “such contribution” the following: “and the total  
14       amount of all such contributions made by such per-  
15       son with respect to the election involved”; and

16           (2) in subparagraph (B), by inserting after  
17       “such contribution” the following: “and the total  
18       amount of all such contributions made by such com-  
19       mittee with respect to the election involved”.

20 **SEC. 4. PROMOTING EFFECTIVE ENFORCEMENT BY FED-**  
21 **ERAL ELECTION COMMISSION.**

22       (a) REQUIRING FEC TO PROVIDE WRITTEN RE-  
23 SPONSES TO QUESTIONS.—

24           (1) IN GENERAL.—Title III of the Federal  
25       Election Campaign Act of 1971 (2 U.S.C. 431 et

1       seq.) is amended by inserting after section 308 the  
2       following new section:

3       “OTHER WRITTEN RESPONSES TO QUESTIONS

4       “SEC. 308A. (a) PERMITTING RESPONSES.—In addi-  
5       tion to issuing advisory opinions under section 308, the  
6       Commission shall issue written responses pursuant to this  
7       section with respect to a written request concerning the  
8       application of this Act, chapter 95 or chapter 96 of the  
9       Internal Revenue Code of 1986, a rule or regulation pre-  
10      scribed by the Commission, or an advisory opinion issued  
11      by the Commission under section 308, with respect to a  
12      specific transaction or activity by the person, if the Com-  
13      mission finds the application of the Act, chapter, rule, reg-  
14      ulation, or advisory opinion to the transaction or activity  
15      to be clear and unambiguous.

16      “(b) PROCEDURE FOR RESPONSE.—

17             “(1) ANALYSIS BY STAFF.—The staff of the  
18      Commission shall analyze each request submitted  
19      under this section. If the staff believes that the  
20      standard described in subsection (a) is met with re-  
21      spect to the request, the staff shall circulate a state-  
22      ment to that effect together with a draft response to  
23      the request to the members of the Commission.

24             “(2) ISSUANCE OF RESPONSE.—Upon the expi-  
25      ration of the 3-day period beginning on the date the  
26      statement and draft response is circulated (excluding

1 weekends or holidays), the Commission shall issue  
2 the response, unless during such period any member  
3 of the Commission objects to issuing the response.

4 “(c) EFFECT OF RESPONSE.—

5 “(1) SAFE HARBOR.—Notwithstanding any  
6 other provisions of law, any person who relies upon  
7 any provision or finding of a written response issued  
8 under this section and who acts in good faith in ac-  
9 cordance with the provisions and findings of such re-  
10 sponse shall not, as a result of any such act, be sub-  
11 ject to any sanction provided by this Act or by chap-  
12 ter 95 or chapter 96 of the Internal Revenue Code  
13 of 1986.

14 “(2) NO RELIANCE BY OTHER PARTIES.—Any  
15 written response issued by the Commission under  
16 this section may only be relied upon by the person  
17 involved in the specific transaction or activity with  
18 respect to which such response is issued, and may  
19 not be applied by the Commission with respect to  
20 any other person or used by the Commission for en-  
21 forcement or regulatory purposes.

22 “(d) PUBLICATION OF REQUESTS AND RE-  
23 SPONSES.—The Commission shall make public any re-  
24 quest for a written response made, and the responses  
25 issued, under this section. In carrying out this subsection,



1 the Commission may not make public the identity of any  
2 person submitting a request for a written response unless  
3 the person specifically authorizes to Commission to do so.

4 “(e) COMPILATION OF INDEX.—The Commission  
5 shall compile, publish, and regularly update a complete  
6 and detailed index of the responses issued under this sec-  
7 tion through which responses may be found on the basis  
8 of the subjects included in the responses.”.

9 (2) CONFORMING AMENDMENT.—Section  
10 307(a)(7) of such Act (2 U.S.C. 437d(a)(7)) is  
11 amended by striking “of this Act” and inserting  
12 “and other written responses under section 308A”.

13 (b) STANDARD FOR INITIATION OF ACTIONS BY  
14 FEC.—Section 309(a)(2) of such Act (2 U.S.C.  
15 437g(a)(2)) is amended by striking “it has reason to be-  
16 lieve” and all that follows through “of 1954,” and insert-  
17 ing the following: “it has a reason to investigate a possible  
18 violation of this Act or of chapter 95 or chapter 96 of  
19 the Internal Revenue Code of 1986 that has occurred or  
20 is about to occur (based on the same criteria applicable  
21 under this paragraph prior to the enactment of the Cam-  
22 paign Reform and Election Integrity Act of 1998),”.

23 (c) STANDARD FORM FOR COMPLAINTS; STRONGER  
24 DISCLAIMER LANGUAGE.—

1           (1) STANDARD FORM.—Section 309(a)(1) of  
2       such Act (2 U.S.C. 437g(a)(1)) is amended by in-  
3       serting after “shall be notarized,” the following:  
4       “shall be in a standard form prescribed by the Com-  
5       mission, shall not include (but may refer to) extra-  
6       neous materials,”.

7           (2) DISCLAIMER LANGUAGE.—Section  
8       309(a)(1) of such Act (2 U.S.C. 437g(a)(1)) is  
9       amended—

10           (A) by striking “(a)(1)” and inserting  
11       “(a)(1)(A)”; and

12           (B) by adding at the end the following new  
13       subparagraph:

14       “(B) The written notice of a complaint provided by  
15       the Commission under subparagraph (A) to a person al-  
16       leged to have committed a violation referred to in the com-  
17       plaint shall include a cover letter (in a form prescribed  
18       by the Commission) and the following statement: ‘The en-  
19       closed complaint has been filed against you with the Fed-  
20       eral Election Commission. The Commission has not veri-  
21       fied or given official sanction to the complaint. The Com-  
22       mission will make no decision to pursue the complaint for  
23       a period of at least 15 days from your receipt of this com-  
24       plaint. You may, if you wish, submit a written statement  
25       to the Commission explaining why the Commission should

1 take no action against you based on this complaint. If the  
2 Commission should decide to investigate, you will be noti-  
3 fied and be given further opportunity to respond.’ ”.

4 **SEC. 5. BANNING ACCEPTANCE OF CASH CONTRIBUTIONS**  
5 **GREATER THAN \$100.**

6 Section 315 of the Federal Election Campaign Act  
7 of 1971 (2 U.S.C. 441a) is amended by adding at the end  
8 the following new subsection:

9 “(i) No candidate or political committee may accept  
10 any contributions of currency of the United States or cur-  
11 rency of any foreign country from any person which, in  
12 the aggregate, exceed \$100.”.

13 **SEC. 6. EFFECTIVE DATE.**

14 Except as otherwise specifically provided, this Act  
15 and the amendments made by this Act shall apply with  
16 respect to elections occurring after January 1999.

Passed the House of Representatives March 30,  
1998.

Attest:

ROBIN H. CARLE,  
*Clerk.*